

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairman Kenny Wilk at 9:05 a.m. on January 31, 2001 in Room 514-S of the Capitol.

All members were present except:

Committee staff present: Alan Conroy, Legislative Research
 Rae Anne Davis, Legislative Research
 Julian Efrid, Legislative Research
 Paul West, Legislative Research
 Amy Kramer, Legislative Research
 Jim Wilson, Revisor of Statutes
 Mike Corrigan, Revisor of Statutes
 Nikki Feuerborn, Committee Secretary

Conferees appearing before the committee: Barb Hinton, Legislative Post Audit
 Chip Wheelen, Kansas Association of Osteopaths
 Shelly Wakeman, Board of Healing Arts
 Larry Beuning, Board of Healing Arts

Others attending: See Attached

Chairman Wilk announced the establishment of a Faith-Based Subcommittee naming Representative Landwehr and Representative Nichols as co-chairs. Other members are Chairman Wilk, Representative Neufeld, and Representative Ballard.

Hearing and Action on HB 2056—Appropriations for the fiscal years ending June 30, 2001, and June 30, 2002, for the legislative coordinating council; authorizing certain transfers, imposing certain restrictions and limitations, and directing or authorizing certain receipts, disbursement and acts incidental to the foregoing

Julian Efrid, Legislative Research Department, explained the bill to the Committee as one that would appropriate funds to be used for an actuarial audit of KPERS as the statutes call for a legislative audit every six years or less.

Representative Lloyd Stone, Chairman of the Joint Committee on Pensions, Investments, and Benefits, presented testimony in support of the bill with the added recommendation that the amount to be requested be \$150,000 (Attachment 1).

The Committee discussed the option of funding this audit other than using the SGF as the proposed budget is spent down within the 7.5 percent SGF ending balance requirement and the EDIF is short. The Committee discussed the option of requiring KPERS to pay for the audit which will be put out on bid. It was pointed out that television ads in support of the constitutional amendment requested by KPERS were paid out of the KPERS fund.

As there were no opponents to the bill, Chairman Wilk declared the hearing closed.

Representative Stone moved to amend the bill by lowering the requested amount to \$150,000. Motion was seconded by Representative Pottorff. Motion carried.

Representative Stone moved the bill be reported favorably as amended. Motion was seconded by Representative Pottorff. Representative Nichols offered a substitute motion containing an amendment requiring the funding of the actuarial audit be paid by KPERS. The substitute motion was seconded by Representative Klein. The Nichols substitute motion failed. The Stone motion to report the bill favorably as amended carried.

Hearing on HB 2040 - Surplus real estate owned by state agencies

Paul West, Legislative Research Department, explained the passage of 2000 **HB 2017** was a step toward State

agencies identifying surplus state land. This bill did not designate an independent entity to make the final decision about whether surplus land should be sold and it lacked financial incentives to encourage the sale of surplus land. **HB 2040** does address these issues.

Barb Hinton, Legislative Post Audit, presented testimony requesting support of the bill which would designate the Secretary of Administration as responsible for developing criteria for identifying surplus land and make recommendations for sale of such land to the Governor. The land would then be eligible for sale with the Governor's and the State Finance Council's approval (Attachment 2). As extra incentive to the agency officials, the bill would also authorize the State Financial Council to designate for the agency selling the land up to 50% of the proceeds after expenses.

Mrs. Hinton explained that the bill did not include KDOT even though they had recommended that KDOT follow the same real estate reporting requirements as other state agencies. Although Legislative Post Audit has declared that KDOT does not have a good inventory system, KDOT's response has been that it is adequate to meet the needs of the agency and public. They have sold land totaling about \$6.1 million over the past ten years. KDOT said they would be unable to meet the inventory reporting system suggested with their existing resources.

As there were no opponents to the bill, Chairman Wilk declared the hearing closed.

Hearing on HB 2121 – State board of healing arts; relating to compensation of review committee members

Amy Kramer, Legislative Research Department, explained that the bill would allow the Board of Healing Arts to provide expert witnesses with an hourly fee for their services in peer review cases. The fee would be set by the Board of Healing Arts.

Chip Wheelen, Kansas Association of Osteopathic Medicine, spoke in support of the bill which would authorize the practice of compensating members of the committee who review medical charts and related information in peer review cases concerning appropriate standards of care (Attachment 3). He pointed out that it takes many hours to review and write opinions in such review cases and these physicians should be compensated by the Board of Healing Arts as they are with any other agency who seeks expert opinion.

Shelly Wakeman, Disciplinary Counsel for the Board of Healing Arts, said that a definite hourly amount for expert witness opinions would probably be in the range of \$70 per hour which is about half of what experts in litigation receive (Attachment 4). This payment would be limited to physicians at this time as they are the only ones qualified to determine if standards of care are met. The Board of Healing Arts is finding it more and more difficult to find members to serve on the peer review board due to time constraints and lack of compensation. Currently they are one member short. The desperate need for expert witnesses is in the specialized branches such as surgery.

Larry Buening, Executive Director of the Board of Healing Arts, said the proposed legislation has been supported twice before by the Board, but they have not voted on it this year as they do not meet until later in the year. The payment of expert witnesses would not cause the raising of fees for members of the healing arts.

Chris Collins, Kansas Medical Society, presented written testimony in support of the bill (Attachment 5).

The hearing was closed on the bill by Chairman Wilk.

The meeting was adjourned at 10:25 a.m. by the Chair. The next meeting will be held on February 1, 2001.